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DPD-5184-59

4 August 1959

MEMORANDUM FOR THE RECORD

SUBJECT: Concurrence in Amendment No. 4 to Contract No.  
HF-JC-911 with Eastman Kodak Company, Rochester,  
New York, [ ] Project AIR FORCE

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1. This memorandum contains a recommendation submitted for concurrence of the undersigned. Such recommendation is contained in Paragraph 7.

2. Contract No. HF-JC-911 with Eastman Kodak Company covered alterations to certain Government-owned buildings located at Del Rio, Texas, March AFB, California, and Westover AFB, Mass., and the installation of processing equipment therein necessary to convert the buildings into film processing plants for the FOG Program for an estimated contract price of \$847,232.

3. The final cost audit and property audit of the GPPF contract have been completed and the AF Auditor's Report #499 has been submitted to this office. Cost in the amount of \$678,001.88 has been approved under the contract, subject to the Contractor's submission of the following:

- a. Contractor's cumulative claim and reconciliation.
- b. Contractor's release
- c. Assignment of refunds, rebates and credits.

This approved cost plus the fixed-fee of \$32,600 results in a final contract price of \$710,601.88. A summary of the approved final cost is attached.

4. The contractor has fulfilled the following requirements of the contract: All work has been completed and accepted on behalf of the Government, no residual inventory remained on hand at completion of the contract, no GPP was supplied under the contract, final overhead rates have been submitted and approved, and the reports on Royalties (Clause 22) and Patent Rights have been submitted and accepted.

25 YEAR RE-REVIEW

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5. Amendment No. 4 to Contract No. HF-JC-911, submitted herewith, has been drawn pursuant to Clause 36, **NEGOTIATED OVERHEAD RATES**, to incorporate final overhead rates into the contract.

6. Contract No. HF-JC-911 obligated a total of \$847,232 chargeable to "No Year" Air Force funds (1958). The difference of \$136,630.12, between the amount obligated under the contract and the final contract price of \$710,601.88 is to be credited to "No Year" Air Force funds (1958). By concurrence to this memorandum the Comptroller, DPD, signifies that the above adjustment in funds has been noted. It is requested that the Comptroller advise the Contract Branch of final payment under the contract in order that the contract may be closed.

7. It is recommended that final settlement of Contract No. HF-JC-911, as set forth herein, including issuance of Amendment No. 4 to the contract be approved.


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Contracting Officer, DPD

**CONCURRENCES:**

25X1  8/6/59  
Comptroller, DPD

COL. WILLIAM A. BURKE  
Acting Chief, DPD

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Office of General Counsel

**APPROVED:**

RICHARD M. BISSELL, JR.  
Deputy Director  
(Plans)

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**SUMMARY OF APPROVED FINAL COST--  
CONTRACT NO. HF-JC-911**

Direct Labor	\$ 2,415.00
Burden @ <input type="text"/>	4,752.72
Purchases	
Subcontract (Austin Co.)	622,908.00
Material (Not subject to G&A)	5.00
Material (Subject to G&A)	20,599.00
Travel	6,299.00 *
Total	\$ 656,978.72
Total (Subject to G&A)	\$ 656,973.72
G&A Expense @ 3.2%	21,023.16 *
Total Cost	\$ 678,001.88
Fixed-Fee per contract	32,600.00
Total Contract Price	\$ 710,601.88

- \* The auditor questioned \$196.08 of Travel Cost comprising \$154.00 of travel cost exceeding a per diem allowance based on \$15.00 per day, \$36.00 entertainment, and G&A Expense on the questioned Travel Costs. The amount representing entertainment as well as the G&A Expense thereon was disallowed by the Contracting Officer, however the remaining travel cost and applicable G&A questioned by the auditor was approved as conforming to the contractor's established travel policy of allowing its employees reasonable actual travel cost in lieu of a \$15.00 per diem maximum travel allowance.

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1-HF-JC-911  
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